

3. During the 12 months ending December 31, 2004, Beech Grove purchased 47,828,077 gallons of water from Henderson, 19,942,000 gallons of water from West Daviess, and sold 50,091,512 gallons. Beech Grove miscalculated the amount of the adjustment in its application. The increase in the cost of purchased water is \$11,205.71, resulting in a purchased water adjustment of \$0.22 per 1,000 gallons and not Beech Grove's proposed increase.

4. The rates proposed by Beech Grove should be denied.

5. The purchased water adjustment of \$0.22 per 1,000 gallons is fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. Beech Grove's proposed rates are denied.

2. The purchased water adjustment of \$0.22 per 1,000 gallons and the rates in Appendix A, attached hereto and incorporated herein, are fair, just, and reasonable and are approved for services rendered on and after the date of this Order.

3. Within 20 days of the date of this Order, Beech Grove shall file with the Commission revised tariff sheets showing the rates approved herein.

Done at Frankfort, Kentucky, this 12th day of May, 2005.

By the Commission

ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2005-00112 DATED May 12, 2005

The following rates and charges are prescribed for the customers in the area served by Beech Grove Water System. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

5/8 Inch Meter

First	2,000	gallons	\$ 16.14	Minimum bill
Next	98,000	gallons	5.15	per 1,000 gallons
All Over	100,000	gallons	4.32	per 1,000 gallons

1 Inch Meter

First	2,000	gallons	\$ 16.14	Minimum bill
Next	98,000	gallons	5.15	per 1,000 gallons
All Over	100,000	gallons	4.32	per 1,000 gallons